

PROPOSED RESOLUTION

Resolution W-5029
DWA

AGENDA ID#13727
ITEM #6

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

DIVISION OF WATER AND AUDITS
Water and Sewer Advisory Branch

RESOLUTION W-5029
March 26, 2015

RESOLUTION

(RES. W-5029) TAHOE SWISS VILLAGE WATER UTILITY, GLENRIDGE DISTRICT (TSVU-G). ORDER AUTHORIZING A RATE INCREASE PRODUCING AN ADDITIONAL ANNUAL REVENUE OF \$10,332 OR 39.40% FOR TEST YEAR 2015. ORDER ALSO AUTHORIZES THE ESTABLISHMENT OF TARIFF SCHEDULE F FOR FACILITIES FEES AND A ONE-TIME SURCHARGE OF \$17.78 FOR COST RECOVERY OF THE STATE WATER RESOURCES CONTROL BOARD'S ANNUAL OPERATING FEE.

SUMMARY

By Advice Letter (AL) 26-W, filed on January 2, 2014, Tahoe Swiss Village Utility Glenridge District (TSVU-G) seeks an increase in rates to recover increased operating expenses and utility plant investment. By AL 26-W TSVU-G also requests authority to establish Tariff Schedule F for facilities fees for new service connections and to implement a one-time surcharge of \$17.78 to recover \$800 for its annual operating fee charged by the State Water Resources Control Board (SWRCB).

This Resolution grants TSVU-G: 1) an increase in gross annual revenues of \$10,332 or 39.40% for Test Year 2015, which is estimated to provide a Rate of Return (ROR) of 11.30%; 2) authority to establish Tariff Schedule F for facilities fees in accordance with Commission Resolution W-4110; and 3) its request to implement a one-time surcharge in the amount of \$17.78 for cost recovery of SWRCB's annual operating fee.

BACKGROUND

TSVU-G is a Class D investor-owned water utility with 45 service connections. TSVU-G's service area is located one-fourth of a mile north of Meeks Bay in El Dorado County. TSVU-G's water distribution system source supply is from a single well with a capacity of 50 gallons per minute. The system has one water storage tank with a capacity of

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100,000 gallons. TSVU-G water distribution system consists of 8,915 feet of water mains ranging from 4- to 6-inches.

TSVU-G has requested authority under General Order (GO) 96-B, Water Industry Rule 7.3.3(5), and Section 454 of the Public Utilities Code to increase its water rates by \$23,857 or 90.98% for Test Year (TY) 2014 estimated to produce a ROR of 12.00%.

TSVU-G's present interim rates became effective on January 26, 2014, by AL 27-W, which authorized an interim rate increase of \$446 or 1.7% based on the Consumer Price Index (CPI), subject to refund or increase, relative to the rates established in this General Rate Case (GRC). TSVU-G's last GRC was approved by Commission Res. W-4860 which authorized a rate increase of \$2,412, or 9.54% for TY 2010.

TSVU-G in this GRC also requests authority to implement a one-time surcharge in the amount of \$17.78 for the \$800 incurred for its annual operating fee charged by the SWRCB.¹

NOTICE AND PROTESTS

In accordance with GO 96-B, TSVU-G served a copy of the AL to its service list on January 2, 2014, and a notice of the proposed rate increase was mailed to each customer and to the general service list on January 20, 2015.

Four customer letters questioning the magnitude of the rate increase were timely received, and the utility replied. This resolution is authorizing a rate increase of \$10,332 or 39.40%, significantly lower than TSVU-G's original request of \$23,857 or 90.98%. While the percentage amount of the rate increase is relatively high due to the water tank re-habilitation project costs being allocated among a small number (45) of service connections, the cost of TSVU-G's water service remains reasonable. At the recommended rates for flat rate residential service a 3/4-inch service connection will pay \$793.70 annually or \$66.14 per month with no additional charges for the amount of water used. Additionally the water tank re-habilitation project will ensure TSVU-G maintains adequate water storage facilities to provide safe and reliable water service.

¹ Section 116565 (b) of the California Health and Safety Code imposes an annual operating fee on public water systems serving less than 1,000 service connections. TSVU-G annual fee is for the period of July 1, 2013 through June 30, 2014.

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DISCUSSION

The Division made an independent analysis of TSVU-G's rate increase request. Appendix A provides TSVU-G's and Division's estimated Summary of Earnings (SOE) at present, requested and recommended rates. TSVU-G was informed of the Division's differing views of revenues, expenses, and rate base and agrees with the Division's findings.

Division staff reviewed operating revenue and expenses including employee labor, materials, contract work, water testing, transportation expenses, other plant maintenance, office salaries, office supplies and expenses, insurance, general expense, depreciation, and taxes other than income. Division staff verified the operating expenses by reviewing supporting documents for substantiation and accuracy, and included the amounts that were deemed reasonable and prudent.

For 2015, Division has included \$86,387 for the costs of the TSVU-G's water storage tank re-habilitation, addition of cathodic protection and telemetry to the tank, and a security camera to deter the vandalism around the storage tank facilities.

As 2014 has elapsed, this resolution grants TSVU-G a 2015 TY by escalating the estimated 2014 expenses by factors provided by the Office of Rate Advocates (ORA) in its November 13, 2014 escalation memorandum.² The rate base and the adopted quantities contained in Appendix D are also updated to reflect TY 2015.

TSVU-G's rate increase request was based on a ROR on utility investment of 12.00%. In accordance with Commission ratemaking policies adopted for Class C and D water utilities by Decision (D.) 92-03-09, two methods can be used for ratemaking, the ROR and Rate of Margin (ROM) methods.³ D. 92-03-09 directs Division to calculate the company's rates and revenue requirement using both of these methods and to recommend the ratemaking method resulting in the greater return.⁴ In this case Division determined that the ROR method produced the higher revenue requirement and therefore recommends that the ROR method be used for TSVU-G's TY 2015 GRC.

² ORA's November 13, 2014 memorandum on the estimates of non-labor and wage escalation rates for 2014 through 2018 from the October 2014 IHS Global Insight U.S. Economic Outlook.

³ The revenue requirement and rates under the ROR method are based on company's rate base and under the ROM method the revenue requirement is based on the company's overall expenses which include operating and maintenance and depreciation expenses, income and other taxes, and an operating margin percentage.

⁴ D. 92-03-093, Ordering Paragraph 8.

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Division's current recommended range of ROR for Class D water utilities is between 10.80% and 11.80%.⁵ Division considers a number of factors in determining the range of the recommended ROR, which include an assessment of the movement in actual and forecasted interest rates over last year's rate, the operational risk faced by Class C and D water utilities, and the authorized rates of returns for Class A utilities in 2013 and 2014. For TSVU-G's TY 2015 GRC, Division recommends an ROR of 11.30%, the mid-point of the range of Division's recommended ROR, based on the quality of service provided and management of the company's operations. Using an ROR of 11.30% Division estimated a revenue requirement of \$36,555.

TSVU-G's rate structure consists of four (4) rate schedules: Schedule No. 1AR, Annual General Metered Service; Schedule No. 2AR, Annual Residential Flat Rate Service; Schedule No. 3AR, Measured Service for Trucks; and Schedule No. 4AR, Private Fire Protection Service.

At the recommended ROR the increase in revenue will be \$10,332 or 39.40% for TY 2015. The rates proposed by Division are shown in Appendix B. At the recommended rates for flat rate residential service for TY 2015, the annual bill for a customer with 3/4-inch size service connection will increase from \$569.37 to \$793.70 (or from \$47.45 to \$66.14 per month) a difference of \$224.33 or 39.40%.

A comparison of customer bills at present and recommended rates for TY 2015 are presented in Appendix C of this resolution.

Commission Res. W-4698 provides the authority to Class B, C, and D water utilities to pass on to customers costs reasonably incurred complying with the Commission's and SWRCB's water quality requirements, and SWRCB's bills for oversight over the water utilities' systems.⁶ Accordingly, TSVU-G's requests to implement a one-time surcharge in the amount of \$17.78⁷ for its \$800 annual operating fee charged by the SWRCB is consistent with the authority provided by Res. W-4698 and should be granted. The reason for TSVU-G's request for a one-time surcharge is because billing for water service under the company's tariffs is done on an annual basis. While TSVU-G's tariff allows customers that have been with the utility longer than 12-months to prorate their bills in advanced intervals of less than one year (monthly, bi-monthly, or quarterly), it

⁵ Division's March 21, 2014 memorandum on the recommended rates of return and rates of margin for class C and D water utilities. <http://www.cpuc.ca.gov/NR/rdonlyres/3293EC49-027A-4A5A-84F9-7F0D9C7C97F2/0/2013DWAMemoROR.pdf>

⁶ Res. W-4698, pg. 1

⁷ The one-time surcharge of \$17.78 is calculated by dividing the fee amount of \$800 by TSVU-G's 45 service connections currently active.

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would not be practicable to design a surcharge that fits all of TSVU-G's customers' billing schedules.

Facilities Fees Tariff Schedule

By AL 26-W, TSVU-G requested Commission authority to establish tariff Schedule F for facilities fees for new service connections and to set the fee at \$5,000 per connection. Commission Res. W-4110 grants all Class C and D water utilities the authority for establishing tariff Schedule F for facilities fees for new service connections for the purpose of generating funds to build new plant or replace deteriorated plant.⁸ Res. W-4110 adopts the following policies for facilities fees: 1) that the fees be set by meter size in proportion to the demand the customer(s) places on the water system, 2) the fees apply to new customers requesting service to premises not previously served and to additional and increased sized connections to presently-served premises, 3) the fees are in addition to charges for any main extension or connection fees required under Rule 15 of the utilities' tariffs, and 4) the fees can only be used by the utility to build new plant or replace deteriorated plant and must be treated as contributed plant for ratemaking purposes.⁹

Division finds TSVU-G's request for authority to establish a tariff Schedule F for facilities fees reasonable and in accordance with Commission Res. W-4110. However, Division recommends a lower amount for the fees than TSVU-G's proposed fixed amount of \$5,000 per connection, since new customers to the system must also pay for the construction and facilities' costs necessary to connect to the distribution system under TSVU-G's main extension tariff Rule No. 15.¹⁰ Division recommends that TSVU-G's facilities fees for 5/8 x 3/4-inch size meter or service connection start at \$2,000 and increase in proportion to the size of the connection as recommended by Res. W-4110, and as shown in Appendix B.

⁸ Res. W-4110 Ordering Paragraph 1.

⁹ Res. W-4110 at pg. 2 and Ordering Paragraph 3.

¹⁰ Under main extension Rule 15 new customers not previously connected to the utility's water distribution system pay for any required extensions of distribution mains, from the utility's basic production and transmission system or existing distribution system in order for the utility to provide water service.

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COMPLIANCE

The utility has been filing annual reports as required and in compliance with the SWRCB's Division of Drinking Water applicable water quality standards for safe drinking water.

Utility Safety

Safety for water utilities considers a number of factors such as water quality, system design, operation and maintenance, and service. One of the highest safety priorities for the Commission is ensuring that water utilities serving water for human consumption provide water that is not harmful or dangerous to health. As previously noted TSVU-G is in compliance with SWRCB's water quality standards for safe drinking water. TSVU-G's water storage tank re-habilitation project and addition of cathodic protection and telemetry to the tank will ensure the company maintains adequate storage facilities to provide safe and reliable water service. Accordingly, Division finds TSVU-G is adequately maintaining and operating its water system in order to maintain a safe water service for its customers.

COMMENTS

Public Utilities Code section 311(g)(1) requires that a proposed resolution be served on all parties, and be subject to a public review and comment period of 30 days or more, prior to a vote of the Commission on the resolution.

Accordingly, this proposed resolution was mailed to the utility and its service list, and made available for public comment on February 20, 2015. No comments were received.

FINDINGS

1. The Summary of Earnings (Appendix A) recommended by Division of Water and Audits is reasonable and should be adopted.
2. The rates recommended by the Division (Appendix B) are reasonable and should be adopted.
3. The quantities (Appendix D) used to develop Division's recommendations are reasonable and should be adopted.

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4. TSVU-G's request to implement a one-time surcharge in the amount of \$17.78 for the annual operating fee charged by the SWRCB is consistent with the authority provided by Res. W-4698 and should be granted.
5. Division's recommended facilities fees under tariff Schedule F are provided in Appendix B of this resolution and should be adopted.
6. After the rates approved by this Resolution become effective, TSVU-G should be allowed to file a Tier 2 AL within 30 days to collect the under-collected revenues from January 26, 2014, the interim rate date, to the effective date of the new rates. This AL should become effective upon approval by the Division.

THEREFORE, IT IS ORDERED THAT:

1. Authority is granted under Public Utilities Code Section 454 for Tahoe Swiss Village Utility, Inc. Glenridge District to file a supplemental Advice Letter with the revised rate schedules attached to this Resolution as Appendix B, and concurrently cancel its presently effective rate Schedules: Schedule No. 1AR, Annual General Metered Service; Schedule No. 2AR, Annual Residential Flat Rate Service; Schedule No. 3AR, Measured Service for Trucks; and Schedule No. 4AR, Private Fire Protection Service. The effective date of the revised schedules shall be five days after the date of filing.
2. Tahoe Swiss Village Utility, Inc. Glenridge District is authorized to file a Tier 2 Advice Letter within 30 days from the effective date of the authorized rates to collect the under-collected revenues from January 26, 2014, the interim rate date, to the effective date of the new rates established by this Resolution. This Advice Letter shall become effective upon approval by the Division of Water and Audits.
3. Tahoe Swiss Village Utility, Inc. Glenridge District's request to implement a one-time surcharge in the amount of \$17.78 to recover the costs of the annual operating fee charged by the State Water Resources Control Board is consistent with the authority provided by Resolution W-4698 and is granted.

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4. Tahoe Swiss Village Utility, Inc. Glenridge District's tariff Schedule F, for facilities fees in Appendix B is approved.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on March 26, 2015; the following Commissioners voting favorably thereon:

TIMOTHY J. SULLIVAN
Executive Director

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		APPENDIX A				
		TSVU Glenridge				
		Summary Of Earnings				
		Test Year 2015				
		TSVU-G		DWA		DWA
		Present Rates	Requested Rates	Present Rates	Requested Rates	Recommended Rates
<u>Operating Revenues</u>						
	Flat	\$ 25,286	\$ 60,408	\$ 25,286	\$ 48,291	\$ 35,249
	Fire Protection	\$ 937	\$ 2,238	\$ 937	\$ 1,789	\$ 1,306
Total Revenue		\$ 26,223	\$ 62,647	\$ 26,223	\$ 50,080	\$ 36,555
<u>Operating Expenses</u>						
	610 Purchased Water	\$ -	\$ -	\$ -	\$ -	\$ -
	615 Purchased Power	\$ 3,200	\$ 3,200	\$ 3,057	\$ 3,057	\$ 3,057
	618 Other Volume Related Expenses	\$ -	\$ -	\$ 102	\$ 102	\$ 102
	630 Employee Labor	\$ 2,100	\$ 2,100	\$ 2,138	\$ 2,138	\$ 2,138
	640 Materials	\$ 225	\$ 225	\$ 695	\$ 695	\$ 695
	650 Contract Work	\$ 125	\$ 125	\$ 2,028	\$ 2,028	\$ 2,028
	660 Transportation Expenses	\$ 700	\$ 700	\$ 886	\$ 886	\$ 886
	664 Other Plant Maintenance	\$ 120	\$ 120	\$ 139	\$ 139	\$ 139
	670 Office Salaries	\$ 1,400	\$ 1,400	\$ 1,300	\$ 1,300	\$ 1,300
	671 Management Salaries	\$ 5,000	\$ 5,000	\$ 5,211	\$ 5,211	\$ 5,211
	674 Employee Pensions and Benefits	\$ 1,600	\$ 1,600	\$ 1,747	\$ 1,747	\$ 1,747
	676 Uncollectable Accounts	\$ 100	\$ 100	\$ 102	\$ 102	\$ 102
	678 Office Services and Rentals	\$ 500	\$ 500	\$ 508	\$ 508	\$ 508
	681 Office Supplies and Expenses	\$ 1,200	\$ 1,200	\$ 1,069	\$ 1,069	\$ 1,069
	682 Professional Services	\$ 225	\$ 225	\$ 228	\$ 228	\$ 228
	684 Insurance	\$ 600	\$ 600	\$ 488	\$ 488	\$ 488
	688 Regulatory Commission Expense	\$ 143	\$ 143	\$ 812	\$ 812	\$ 812
	689 General Expenses	\$ 400	\$ 400	\$ 451	\$ 451	\$ 451
Subtotal		\$ 17,638	\$ 17,638	\$ 20,959	\$ 20,959	\$ 20,959
	403 Depreciation	\$ 3,000	\$ 3,000	\$ 3,186	\$ 3,186	\$ 3,186
	408 Taxes Other Than Income	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400
	409 State Income Taxes	\$ 800	\$ 800	\$ 800	\$ 2,169	\$ 973
	410 Federal Income Taxes	\$ -	\$ -	\$ -	\$ 3,355	\$ 1,506
Total Deductions		\$ 5,200	\$ 5,200	\$ 5,386	\$ 10,110	\$ 7,065
Net Revenue		\$ 3,385	\$ 39,809	\$ (122)	\$ 19,012	\$ 8,531
<u>Rate Base</u>						
	Average Plant	\$ 161,203	\$ 161,203	\$ 161,203	\$ 161,203	\$ 161,203
	Average Dep. Reserve	\$ 85,728	\$ 85,728	\$ 85,728	\$ 85,728	\$ 85,728
Net Plant		\$ 75,475	\$ 75,475	\$ 75,475	\$ 75,475	\$ 75,475
Less:	Advances					
	Contributions in Aid of Construction					
	Deferred Income Tax					
Plus:	Construction Work in Progress					
	Working Cash					
	Materials and Supplies					
Rate Base		\$ 75,475	\$ 75,475	\$ 75,475	\$ 75,475	\$ 75,475
Rate of Return		4.48%	52.74%	-0.16%	25.19%	11.30%

END OF APPENDIX A

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APPENDIX B
TAHOE SWISS VILLAGE UTILITY- GLENRIDGE DISTRICT
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SCHEDULE NO. 1AR
ANNUAL GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service furnished on an annual basis.

TERRITORY

Glenridge Park Subdivision, and vicinity, located about one-fourth of a mile north of Meeks Bay, El Dorado County.

RATES

Quantity Rate:

All water, per 100 cu. ft.....\$ 1.18 (I)

Service Charges:

Per Meter Per Year

For	3/4-inch meter.....	\$ 704.24	(I)
For	1- inch meter.....	\$ 1,173.72	
For	1 ½-inch meter.....	\$ 2,347.44	
For	2- inch meter.....	\$ 3,755.90	(I)

The Service Charges are a readiness-to-serve charges which are applicable to all metered services and to which are added the charge for water used computed at quantity rate.

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SCHEDULE NO. 1AR

ANNUAL GENERAL METERED SERVICE

SPECIAL CONDITIONS

1. The annual service charge applies to service during the 12-month period commencing January 1 and is due in advance. If a resident of the area has been a customer of the utility for at least 12 months, the customer may elect, at the beginning of the calendar year, to pay prorated service charges in advance at intervals of less than a year (monthly, bi-monthly, or quarterly) in accordance with the utility's established billing periods.
2. The established billing cycle for water is monthly. The billing cycle may be at longer intervals during winter season.
3. The opening bill for metered service, except upon conversion from flat rate service, shall be the established annual service charge for the service. Where initial service is established after the first day of any year, the portion of such annual charge applicable to the current year shall be determined by multiplying the annual charge by one three-hundred-sixty-fifth ($1/365$) of the number of days remaining in the year. The balance of the payment of the initial annual charge shall be credited against the charges for the succeeding annual period. If the service is not continued for at least one year after the date of initial service, no refund of the initial annual charges shall be due the customer.
4. A one-time surcharge of \$17.78 per customer shall be collected for the period of July 1, (N) 2014 through July 1, 2015, in accordance with Commission Resolution W-4698 to recover the annual operating fee charged by the State Water Resources Control Board. (N)
5. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

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SCHEDULE NO. 2AR

ANNUAL RESIDENTIAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all flat rate residential water service furnished on an annual basis.

TERRITORY

Glenridge Park Subdivision, and vicinity, located about one-fourth of a mile north of Meeks Bay, El Dorado County.

RATES

For a single-family residential unit, including premises.

	Per Service Connection	
	Per Year	
For a single-family residential unit,		
3/4-inch size, including premises.....	\$ 793.70	(I)
For each additional single family residential unit on the same premises and served from the same 3/4-inch service connection	\$ 656.06	(I)
1-inch size, including premises	\$ 1,322.84	(I)
For each additional single family residential unit on the same premises and served from the same 1-inch service connection	\$ 1,093.44	(I)

SPECIAL CONDITIONS

1. The above flat rates apply to a service connection no larger than one inch in diameter.
2. All service not covered by the above classification shall be furnished only on a metered basis.
3. For service covered by the above classification, if the utility so elects, a meter shall be installed and service provided under Schedule No. 1AR, Annual Metered Service, effective as of the first day of the following calendar month. Where the flat rate charge for a period has been paid in advance, refund of the prorated difference between such flat rate payment and the minimum metered charge for the same period shall be made on or about that day.

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SCHEDULE NO. 2AR

ANNUAL RESIDENTIAL FLAT RATE SERVICE

(continued)

SPECIAL CONDITIONS

4. The annual service charge applies to service during the 12-month period commencing January 1 and is due in advance. If a resident of the area has been a customer of the utility for at least 12 months, the customer may elect, at the beginning of the calendar year, to pay prorated service charges in advance at intervals of less than a year (monthly, bi-monthly, or quarterly) in accordance with the utility's established billing periods.
5. The established billing cycle is every six months.
6. The opening bill for flat rate service shall be the established annual flat rate charge for service. Where initial service is established after the first day of any year, the portion of such annual charge applicable to the current year shall be determined by multiplying the annual charge by one three-hundred-sixty-fifth ($1/365$) of the number of days remaining in the year. The balance of the payment of the initial annual charge shall be credited against the charges for the succeeding annual period. If service is not continued for at least one year after the date of initial service, no refund of the initial annual charges shall be due the customer.
7. A one-time surcharge of \$17.78 per customer shall be collected for the period of July 1, (N) 2014 through July 1, 2015, in accordance with Commission Resolution W-4698 to recover the operating costs of fees imposed by the State Water Resources Control Board. (N)
8. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

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SCHEDULE NO. 3AR
MEASURED SERVICE FOR TRUCKS

APPLICABILITY

Applicable to all truck water sales.

TERRITORY

Glenridge Park Subdivision, and vicinity, located about one-fourth mile north of Meeks Bay, El Dorado County.

RATES

Quantity Rate

Per 100 cu. Ft.	\$4.04	(I)
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Service Charge

Per day of service rendered.....	\$14.27	(I)
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SPECIAL CONDITIONS

1. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

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SCHEDULE NO. 4AR
PRIVATE FIRE PROTECTION SERVICE

APPLICABILITY

Applicable to water service furnished for private fire systems and to private fire hydrants.

TERRITORY

Glenridge Park Subdivision, and vicinity, located about one-fourth mile north of Meeks Bay, El Dorado County.

RATE

Per Month

For each inch of diameter of service connection

\$ 14.51 (I)

SPECIAL CONDITIONS

1. The facilities for service connection to a privately-owned fire protection system will be installed by the utility or under the utility's direction and the cost paid by the applicant. Such cost will not be subject to refund. The facilities paid for will be the sole property of the applicant.
2. The minimum diameter for the private service connection will be 4 inches. The maximum diameter will not be larger than the diameter of the water main to which the service is connected.
3. If a main of adequate size to serve a private fire protection system in addition to all other normal service does not exist adjacent to the premises to be served, then a new main from the nearest existing main of adequate capacity will be installed by the utility and the cost paid by the applicant. Such cost will not be subject to refund. The main where located in the public right-of-way or utility easement will be the sole property of the utility.

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PRIVATE FIRE PROTECTION SERVICE
(continued)

SPECIAL CONDITIONS

4. Service hereunder is for private fire protection systems to which no connections other than fire protection purposes are allowed and which are regularly inspected by the underwriters having jurisdiction and maintained to the satisfaction of the utility. The service connection facilities are subject to the control of the utility, with right to alter, repair, replace and the right to remove upon discontinuance of service. The customer is required to maintain, repair, and to provide for the required periodic inspection of system. Failure to comply with this provision may be grounds for the utility's discontinuance of the service to the premises without liability to the utility.
5. The service connection will include the installation of a detector check valve with meter or other similar device acceptable to the utility for protection against theft, leakage, or waste of water. If the utility and its duly authorized agents have the right of access to and within the premises for all purposes related to said facility, the requirement for a detector check valve and meter may be waived.
6. For water delivered for other than fire protection purposes, charges will be made therefore under Schedule No. 1AR, Annual General Metered Service. Unauthorized use of water from the private fire service may be grounds for the utility's discontinuance of the service to the premises without liability to the utility.
7. The utility will supply only such water at such pressure as may be available at any time as a result of the normal operation of the utility system.
8. No structure except by written approval and authorization of the utility will be built over the facilities to serve private fire service and the customer will maintain and safeguard the area occupied by these facilities from traffic and other hazardous conditions. The customer will be responsible for any damage to the facilities.

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PRIVATE FIRE PROTECTION SERVICE

SPECIAL CONDITIONS

9. Subject to the approval of the utility, any change in the location or construction of the facilities to serve private fire service as may be requested by public authority or the customer will be made by the utility following payment to the utility for the entire cost of such change.
10. The customer shall indemnify the utility and save it harmless against any and all claims arising out of service under this schedule and shall further agree to make no claims against the utility for any loss or damage resulting from service under this schedule. Section 774 of the Public Utilities Code limits the liability of the utility resulting from a claim regarding adequacy of pressure or supply for fire protection service.
11. The customer shall be responsible for the periodic testing of any backflow prevention devices as required by public authority or the utility. Any repair or replacement of such devices or of any other facilities installed to provide private fire service shall be done at the customer's expense. Any refusal to comply with the above requirements may be grounds for the utility's discontinuing private fire service without liability to the utility.
12. All bills are subject to the reimbursement fee set forth on Schedule No. UF.

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TAHOE SWISS VILLAGE UTILITY- GLENRIDGE DISTRICT
(Page 9 of 9)
SCHEDULE F
FACILITIES FEES

APPLICABILITY

(N)

Applicable to all customers applying for service from the Tahoe Swiss Village Utility Glenridge Park District for premises not previously connected to its distribution mains and for additional service connections to existing premises, and increases in size of service connections to existing premises.

TERRITORY

Glenridge Park Subdivision, and vicinity, located about one-fourth mile north of Meeks Bay, El Dorado County.

RATES

Fee for each Service Connection by Size of Meter or Service Connection:

For 5/8 x 3/4-inch	\$2,000
For 3/4-inch	\$3,000
For 1-inch	\$5,000
For 1 1/2-inch	\$10,000
For 2-inch	\$16,000
For 3-inch	\$30,000
For 4-inch	\$50,000
For 6-inch	\$100,000

SPECIAL CONDITIONS

1. Facility fees are payable in addition to and do not limit any charges for extensions of mains that may be applicable under Rule 15, Main Extensions.
2. These fees are not subject to the Public Utility Commission Reimbursement Fee surcharge in Schedule UF.
3. These fees shall be used only for the repair and replacement or the installation of new infrastructure.
4. These fees shall be deposited in a separate trustee account and used only upon permission of the Division of Water and Audits or its successor.

(N)

END OF APPENDIX B

PROPOSED RESOLUTION

Resolution W-5029
DWA

March 26, 2015 (Rev. 1)

APPENDIX C TAHOE SWISS VILLAGE UTILITY- GLENRIDGE DISTRICT Bill Comparison

<u>Annual Residential Flat Rate Service</u>					
		Present	Recommended	Amount	Percent
		<u>Rates</u>	<u>Rates</u>	<u>Increase</u>	<u>Increase</u>
<u>Per Service Connection Per Year:</u>					
	3/4-inch	\$ 569.37	\$ 793.70	\$ 224.33	39.40%
Additional Unit 3/4-inch		\$ 470.63	\$ 656.06	\$ 185.43	39.40%
	1-inch	\$ 948.95	\$ 1,322.84	\$ 373.89	39.40%
Additional Unit 1-inch		\$ 784.39	\$ 1,093.44	\$ 309.05	39.40%

END OF APPENDIX C

PROPOSED RESOLUTION

Resolution W-5029
DWA

March 26, 2015 (Rev. 1)

APPENDIX D TAHOE SWISS VILLAGE UTILITY- GLENRIDGE DISTRICT

ADOPTED QUANTITIES

Test Year 2015

1. Purchased Power	\$3,057
Energy Provider	Liberty Utilities LLC

2. Flat Rate Service Connections	
3/4 -inch	42
1 -inch	<u>3</u>
Total	45

<u>Tax Calculations</u>	<u>T Y 2015</u>
Operating Revenues	\$36,555
Operating Expenses	\$20,959
Depreciation	\$ 3,186
Taxes Other than Income	\$ 1,400
Taxable Income for State	\$11,010
State Taxes	\$ 973
Taxable Income for Federal	\$10,037
Federal Taxes	\$1,506

END OF APPENDIX D

CERTIFICATE OF SERVICE

I certify that I have by either electronic mail or postal mail, this day, served a true copy of Proposed Resolution No. W- 5029 on all parties in these filings or their attorneys as shown on the attached lists.

Dated February 20, 2015 at San Francisco, California.

/s/ JENNIFER PEREZ

Jennifer Perez

Parties should notify the Division of Water and Audits, Third Floor, California Public Utilities Commission, 505 Van Ness Avenue, San Francisco, CA 94102, of any change of address to ensure that they continue to receive documents. You must indicate the Resolution number on which your name appears.

**TAHOE SWISS VILLAGE WATER UTILITY-GLENRIDGE DISTRICT
ADVICE LETTER 26-W
SERVICE LIST**

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